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CONTENTS

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INTER-AFRICAN

Lawson Defines Duties Awaiting Newly Launched ETI [Lagos BUSINESS TIMES, 23 May 88]	1
Eyadema Praises Launching of Ecobank Transnational Inc. [Mulero Seidi; Lagos BUSINESS TIMES, 16 May 88]	1
EEC Grants ECU 40 Million To Fund Livestock, Forestry Projects [Babatunde Akerele; Lagos BUSINESS TIMES, 16 May 88]	3

ANGOLA

Benguela Commissar Reiterates Need for Cubans	4
Commandos Reportedly in Europe To Kill UNITA, Renamo Figures [Ricardo Santos; Lisbon O DIABO, 10 May 88]	4
Journalist Describes Situation in Namibe [Carlos da Matta; Lisbon SEMANARIO, 7 May 88]	5
Reorganization Plan Seen as Economic 'Perestroika' [Luis Vaz do Carmo; Lisbon O JORNAL, 6 May 88]	6
Imports of Finished Products Reduced To Stimulate Production	7
Cooperation in Education With Morocco Cited	8
Government's Development Plans for Lunda Norte Viewed	9

CAMEROON

Business Slows Down at Douala Port	10
------------------------------------	----

MOZAMBIQUE

Africa's Portuguese-Speaking Nations' Ties With Portugal Examined	11
---	----

NIGERIA

CBN To Blacklist Companies Involved in Forgery, Underpricing [Nduka Nwosu; Lagos BUSINESS TIMES, 23 May 88]	13
NITEL To Use Videophone Networks for Communication, Banks [Assumpta Ekpe; Lagos BUSINESS TIMES, 16 May 88]	13

SAO TOME AND PRINCIPE

Foreign Affairs Minister Appeals to Dissidents for Unity [Carlos Benigno da Cruz; Lisbon EXPRESSO, 14 May 88]	15
--	----

SOUTH AFRICA

POLITICAL

Buthlezi on Regional Political Issues [Mangosuthu Buthelezi Interview; Lisbon SEMANARIO, 7 May 88]	16
---	----

MILITARY

Strategic Institute Director on Country's Air Strike	18
--	----

ECONOMIC

Budget Seen as Restrictive Factor for Economy [Marlene Britz; BEELD, 18 Mar 88]	19
Number of Airplanes Increased to Almost 4,000	19

Domestic Flights Increase by 19 Percent	19
Study Lists Steps Necessary for Development of Domestic Electronics Industry [Curt von Keyserlingk; <i>FINANSIES & TEGNIEK</i> , 15 Apr 88]	21
Stronger Ties With Lebowa, Troubled Relationship With Bophuthatswana for Platinum Mines [<i>DIE BURGER</i> , 30 Mar 88]	22
Hotel Occupancy Recovered From 3 Meager Years	22

SOCIAL

Racial Discrimination in Public Service Eliminated [Alan Fine; <i>BUSINESS DAY</i> , 10 May 88]	23
Businessman Says AWB Leader Ruining Country's Image [BEELD, 5 Apr 88]	23
Brutality Not Condoned by Police	24
National Manpower Commission Gives Strike Productivity Figures [THE CITIZEN, 4 May 88] ...	25
More Trade Unions Registered [THE CITIZEN, 4 May 88]	25
Conciliatory Gesture by NGK Council Resolves Dispute [BEELD, 18 Mar 88]	25
Pretoria Technical College Leader in Explosives Training, Research [BEELD, 18 Mar 88]	26

Lawson Defines Duties Awaiting Newly Launched ETI

34000641a Lagos *BUSINESS TIMES* in English
23 May 88 pp 1, 16

[Text] After the official launching of its first affiliate in Togo, the Ecobank Transnational Incorporated (ETI) still has a lot of duties to perform, the deputy-president of the ETI, Chief Adeyomi Lawson said while speaking to the *BUSINESS TIMES* in an interview last week.

Chief Lawson said that it is part of the duties of the Ecobank to foster inter- and especially intra-regional trade which now accounts for less than 10 percent of trade in the sub-region. It is also its duty to see that the economic depression which now affects all the ECOWAS states is solved.

To perform those tasks, Chief Lawson said, "the ETI is to develop the capability, necessary rapport professionally and competently so as to succeed in being a channel through which necessary funds can be attracted to the member countries for economic and commercial development in the private and public sectors."

Continuing, he said that "the ETI has set an initial target of establishing its presence throughout the subregion as commercial banks in Nigeria, Togo, Ghana and Cote d'Ivoire.

"Notwithstanding whatever level of successful commercial operations the subsidiaries may have, the ETI also has a prime objective of profitability through financial trading in its own rights so as to be capable of paying attractive dividends to its shareholders."

The ETI, according to its deputy-president, has set itself up to meet both its responsibility as a holding company and in its role of supporting the subsidiaries with financial trading facilities. In that role, he said, the bank will also "produce market and sell its own financial services in the financial centres of the world."

Talking about the Ecobank-Nigeria, Chief Lawson said everything possible will be done to see that it performs its duties creditably. To achieve that goal, the Nigerian affiliate will employ about 45 people initially and the criteria for recruitment will be "competence, qualification and suitability," there will be no age limit, he said.

On the question of whether the Ecobank-Nigeria certificate was being delayed because of the belief in government circles that new banks are not performing well, the industrialist said he believed new banks are performing well, that the Ecobank certificate was ready and would soon be released.

When asked to say why he, as the personality who conceived the Ecobank idea and worked tirelessly for its success, did not make any speech when the Togolese affiliate of the bank was being opened in Lome two

weeks ago, Chief Lawson said that after crowning the king, the king-maker feels satisfied to retire to a corner to observe the new leaders perform and also to plan how to win more laurels for the glory of the kingdom.

He said that "for me, it was a satisfying experience to sit quietly in a corner in Lome and observe the current actors and events unfold at the inauguration as if one were not just an onlooker, but one with the satisfaction of observing creativity unfolding."

It will be recalled that after conceiving the Ecobank idea, the chief spent two weeks in 1984 shuttling from one ECOWAS state capital to another, trying to advise heads of states and governments about the advantages of the Ecobank project.

He recalls those days with nostalgia and says with "humble joy and satisfaction" that it was a "challenge discharging my responsibility as the President of ECO Promotions which was the Liberian company established for the purpose of commissioning studies and leading the project to realisation."

About the economic situation in the country, Chief Lawson said that "Nigeria has been living beyond her means for a long time. Now that we have to pay up our debts and put our house in order, we find it a very painful exercise.

"One hopes however, that the current financial discipline will be maintained so that the projected ultimate objective may not elude us."

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Eyadema Praises Launching of Ecobank Transnational Inc.

34000642a Lagos *BUSINESS TIMES* in English
16 May 88 p 5

[Article by Mulero Seidi]

[Text] The Economic Community of West African States (ECOWAS) will fail totally unless the Ecobank Transnational (ETI) and its affiliates strive to reach the objective for which they were set up.

This was said by President Yassingbe Eyadema of Togo, who was speaking in his office last week.

The president was addressing a delegation of the ETI (led by its President Dr Thomas Hope) who went to thank him for his devotion to the bank's success.

He observed that the economic integration and development which are the objectives of ECOWAS cannot materialise without a financial institution of the nature of Ecobank. "If Ecobank succeeds, ECOWAS succeeds and if Ecobank fails, ECOWAS fails," he warned.

He therefore enjoined the bank to strive to achieve and maintain excellence so as to prosper.

Speaking 4 hours later at the official launching of Ecobank-Togo, General Eyadema who was represented by his Minister of Economy and Finance, (Monsieur Komla Alipui), congratulated the Federation of West African Chambers of Commerce and Industry and its leaders who conceived the Ecobank project.

According to him, the slowness in "executing financial and monetary transactions constitutes an encouragement to illegal practices, a brake on the growth of regional trade and a constraint on the development process of our community." He therefore saw the launching of Ecobank as one answer to the economic problems faced by businessmen in our subregion."

Speaking further, General Eyadema said that "our struggle in West Africa against poverty cannot succeed unless it is organised as a private initiative."

It is the responsibility of the state to provide the necessary stimulus, but if our efforts are not to flounder in bureaucratic procedures, the private sector must take over to coordinate the productive sectors, the financial channels and the commercial links of our sub-region," he said.

The president reassured Ecobank of his government's unlimited support so that "the realisation of other projects in the wings (such as airline and shipping companies) to be established by the ECOWAS can become a reality.

Addressing General Eyadema, the ETI President, Dr Hope said that the bank would have been a mission impossible, but for the president's untiring efforts. He promised him that the ETI and its affiliates would maintain high standard by recruiting the best staff without any discrimination of nationality, sex or religion and by taking due advantage of its partnership with the Citibank of America who is a very advanced institution in the banking field.

In his speech, later at the launching ceremony, Dr Hope said that the bank is the private sector's contribution to the Economic Recovery programme (EPR) of ECOWAS. He saw the bank as a "clear evidence of the response of the West African private sector to the call for a greater participation by businessmen in the development of our region."

Continuing, Dr Hope said that "in most of our countries, the tide towards privatisation of a top-heavy public sector is evidence of the position and the role of the private sector in our economies."

He contended that the recognition by various governments in the region of the need to encourage the free development of private initiative will "foster the emergence of creative energy which had hitherto been suppressed." He therefore challenged the private sector to show that it is a dynamic force for development by taking due advantage of this initiative.

The Ecobank Transnational Incorporated has Dr Thomas Hope of Sierra Leone as president and Chief Adeyemi Olusola Lawson (of Nigeria) as vice-president.

The Technical Partners, the Citibank, are represented by Mr Alan S. Goldie who is also the assistant director-general.

The newly launched Ecobank-Togo was opened for business on 1 March this year. It has an authorised capital of 750 million FCFA (about N11.175 million as at that date). The bank now has about 32 employees.

It requires its customers to pay a minimum of 500,000 FCFA (about N7,143) for current accounts and one million francs (about N14,286) for fixed deposits. Though these amounts may seem big, the bank has during the past 2 months of existence, got so many customers that it has incurred the jealousy of older financial institutions in Togo.

The reason for this rush for the bank's services in Togo despite the seemingly high deposits is that these amounts are low when compared to those of other banks in Lome. Actually, when the naira was strong, it was worth (in 1981/1982) about 530CFA as against 70 FCFA at present.

If the 1981 value is to be considered, then the minimum deposits would have been equal to N949 and N1886 for current accounts and fixed deposits respectively.

Ecobank Togo has Mr Yao Pali Tchalla as present and Mr H.P. Barlay as managing-director.

The yet to be born Ecobank Nigeria has an authorised capital of N25 million. According to the vice-president of ETI, Chief Lawson, the building to house the Nigerian affiliate is now being built at Victoria Island in Lagos; it is expected to be completed and opened anytime from October this year. While the Togolese have only 5 percent shares in their local subsidiary of the Ecobank, Nigerians have 60 percent in Ecobank-Nigeria, leaving only 40 percent to the ETI.

He promised Nigerians to look forward to get the best services from Ecobank Nigeria. According to him, "we are coming into the Nigerian market and so we are going to outdo all other affiliates of the Ecobank Transnational."

Chief Lawson had earlier told the World Press at the Togolese Presidential Palace that the main purpose of the Ecobank is to "channel capital from various sources of the world to West African states." He promised that the ETI would do that function and others excellently and develop itself well so that it can manage its affiliates successfully.

The BUSINESS TIMES asked the ECOWAS Executive Secretary, Alahji Momodu Munu, what were his impressions on that occasion of the official launching of Ecobank Togo.

He said that he was highly delighted to see such great thing happen during his tenure of office. It is a thing all Africans should be happy and proud about, he said.

As Alahji Munu and other dignitaries such as Babacar N'diaye of the African Development Bank and the Ministers of Economy and Finance of Togo and Benin were moving round the Ecobank premises, a traditional dance troupe was beating drums to salute the triumphant entry of Ecobank into West Africa.

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EEC Grants ECU 40 Million To Fund Livestock, Forestry Projects

34000642b Lagos BUSINESS TIMES in English
16 May 88 pp 1, 13

[Article by Babatunde Akerele]

[Text] The European Economic Commission has released ECU 40 million (approximately N200 million) to fund a comprehensive agricultural livestock and forestry development programme.

According to a source close to the EEC delegation, the programme forms part of the ECU 200 million (N1 billion) development programme for Nigeria under the Lome III convention.

This would combat the serious drought, desertification, deafforestation and overgrazing problems of the arid zones.

Enumerating further, the source disclosed that the programme components to be covered by the N200 million EEC programme for North East Borno would include water development for irrigation, provision of inputs and credit for farmers and livestock owners; improvement and expansion of extension services, forestry development; grazing reserves; rural health and education facilities.

The commission, according to the source, would step up mass awareness campaigns especially on desertification and deafforestations, and the ways and means to combat those problems.

The source further stressed that the EEC as part of its commitment to see the government through the economic difficulties has shown the importance it attaches to manpower development.

To this end the EEC has made available N950,000 for the introduction of the National Diploma (ND) and Higher National Diploma (HND) courses in building surveying.

This linkage agreement which was signed last week between the Auchi Polytechnic and the Glasgow College of Building and Printing is part of the EEC Multiannual Training programme.

This amount was part of EEC 19 million (N112 million) the overall funding of education and training programmes under Lome II convention.

Furthermore, the source pointed out that "Nigeria is a key country in the EEC/ACP trade relations; 60 percent of her imports come from the EEC member states, while Nigeria accounts for 37 percent of total ACP exports to EEC, it receives 23 percent of the EEC exports to ACP countries.

The Lome III [word omitted] programme for Nigeria ECU 200 million one of the largest of all ACE states. The programme covers [the] following.

Programme for [words omitted] North East ECU 40 million; programme for arid [words omitted] West ECU 30 million; programme for oil [words omitted] Belt ECU 70 million; outside areas of [words omitted] (e.g. training, [words omitted] linkages, research ECU [figure omitted] million.

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Benguela Commissar Reiterates Need for Cubans

34420140c Luanda JORNAL DE ANGOLA in Portuguese 22 Apr 88 p 3

[Excerpt:] Benguela—Lt Col Joao Lourenco, member of the Central Committee of the MPLA-PT [Popular Movement for the Liberation of Angola-Labor Party], said Monday in Benguela that the reasons which in 1975 led Angola to request internationalist aid from Cuba are still applicable today, thanks to the intransigence of the Pretoria regime in perpetuating its aggression against Angola.

Joao Lourenco—who is also the Benguela provincial commissar—said that the governments of Angola and Cuba would be prepared to withdraw the Cuban military contingent from Angolan territory if the apartheid regime complies with UN Resolutions 602/87 and 435/78, which call for the unconditional withdrawal of the South African troops from the occupied portions of the southern part of Angolan territory, and for the independence of Namibia.

During a ceremony at which medals were awarded to four Cuban internationalists who had performed distinguished service in connection with their mission to Angola, Joao Lourenco emphasized that despite South Africa's aggressive attitude, talks are in progress between Angola and the United States—with Cuban participation—in an effort to find a peaceful solution.

However, he criticized the biased attitude of the United States in the negotiations that are taking place.

He also protested the fact that the United States consistently vetoes UN proposals that call for the application of sanctions against South Africa, and that it defends the policy of linkage whereby independence for Namibia is made conditional on the withdrawal of the Cuban troops from Angola.

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Commandos Reportedly in Europe To Kill UNITA, Renamo Figures

34420142b Lisbon O DIABO in Portuguese 10 May 88 p 10

[Article by Ricardo Santos]

[Text] Bonn, 5 May—Security sources in the FRG are investigating the entry into European countries of assassination commandos whose purpose is to eliminate some important figures in the UNITA and Renamo African resistance movements. The terrorist "operatives" are reportedly not of the black race, but their command centers are said to be located in certain ministries in Luanda and Maputo. Those being used for the "dirty work" are said to be mainly mercenaries usually connected with multinational firms that have economic

interests in Angola and Mozambique (in fields ranging from energy and petroleum to precious stones and including transportation and communications).

"One of the next targets may be Jonas Savimbi," we were told by our source, who revealed that a NATO police unit had recently arrested two suspects who reportedly talked about part of the plan. "The general pattern"—which is the same as that involved in the Evo Fernandes case—"consists of carrying out the crimes and then scattering clues aimed at making suspicion fall on South Africa and 'dissidents' involved in African guerrilla warfare."

It should be remembered that Savimbi is visiting a few countries on the Old Continent this spring and that his itinerary may include London, Paris and Bonn, with the additional possibility of a papal audience at the Vatican. It also should not be forgotten that the possible disappearance of the UNITA leader, along with the death of Evo Fernandes, could alter the direction of recent African history, since the movements resisting Maputo and Luanda have weak substitute leaders and depend heavily on personalized power.

"Octopus" of Economic Interests

The MPLA and FRELIMO are not alone in that "strategy of elimination," as it has been called. British, American and even South African firms would like to see more definite forms of "accommodation" with the regimes established by those former anti-Portuguese groups, and observers with their eye on big economic interests can be glimpsed in the discussions in London on the future of Angola.

Conglomerates such as Chevron-Cabinda Oil, Lonrho and the subsidiaries of the Oppenheimer Group (Oppenheimer, the now elderly "king of diamonds" in South Africa, is a great opponent of the iron-fist policy being pursued against the MPLA-SWAPO coalition) are said to be interested in "political solutions" which would not result in the collapse of the MPLA and FRELIMO regimes when the foreign troops propping them up are withdrawn (in Angola's case, those troops were recently reinforced by the arrival of 10,000 more Cubans). Many of those interests are represented at the level of official institutions in various Western countries (the U.S. State Department, the British Foreign Office and sectors of the Ministry of Foreign Affairs in Pretoria), and it caused no surprise when the Reagan administration's assistant secretary for African affairs, Chester Crocker, stayed at the mansion belonging to "Tiny" Rowland, the key man at Lonrho, during the recent London talks on Angola.

R. W. "Tiny" Rowland is an old friend of Crocker's, by the way, and is in permanent contact with him. South Africa's Oppenheimer (who in 1975 was allegedly the political "mastermind" in holding back the UNITA-FNLA-Castro e Santos column that was preparing to

make a final assault on Luanda) may have been in London over the past few days or at least have been in contact with some of the negotiators.

As was true in the Lancaster House proceedings which led to the independence of former Rhodesia, what may be involved are primarily pragmatic interests of a purely economic nature; if so, they are well understood by Lord Carrington, another of Rowland's good political friends.

It is therefore difficult to separate cases like that of Evo Fernandes from big moves on the chessboard of African power—moves which already existed in embryo before 1974 and which may have been behind the very manner in which "exemplary decolonization" was carried out by the Portuguese—that is, by the political power that was installed in Lisbon after the so-called Revolution of the Carnations.

11798

Journalist Describes Situation in Namibe
3442014b Lisbon SEMANARIO in Portuguese
7 May 88 p 36

[Article by Carlos da Matta]

[Excerpt] Namibe—The only way to get from Huambo to Namibe is by air. We had to go first to Luanda, and considering the way TAAG [Angolan Airlines] operates, the trip could have taken weeks if we had not had influential "pull" or been on an official mission.

The road connection is impossible. The stretch between Huambo and Lubango is one of the most insecure in Angola and the scene of daily ambushes. The same is not true along the approximately 180 kilometers separating Lubango from Namibe, and the stretch of highway crossing the plateau would appear to be running through normal countryside except for the large number of Angolan and Cuban soldiers traveling along it. There is even some economic activity in the settlement of Humpata.

The descent from the Leba Mountains (one of the most elaborate feats of highway engineering on the subcontinent) enabled us to see the still-visible traces of South African sabotage dating back 7 or 8 years, and when we were all the way down and within the boundaries of the Muila and Cavale ethnic zones, the vegetation was quickly replaced by desert. The 80 kilometers separating us from the coast were marked by a landscape with many replicas of scenes out of a Western movie.

The great majority of vehicles on the asphalt road were military. We rarely saw civilian vehicles: one or two from the ETP [Public Transport Company], the refrigerated EDIPESCA truck, and one or two private vehicles.

Running parallel to the road—and even taking up half of the roadway—is the important Namibe railroad, which serves only Matala on a regular basis and which has been used by trains only in the daytime since the two acts of sabotage 3 years ago—also the work of South Africans, according to authorities. It is true that UNITA has never been able to establish itself among the Muila and Cuvalé peoples, that being one of the greatest examples of total independence with respect to the two opposing forces.

Compared to Huambo, Namibe is very calm. There are also fewer food problems thanks to the abundance of fish, a great deal of which, incidentally, is being pillaged by foreign fleets in what is one of the biggest crimes against the Angolan economy.

The city looks better cared for and maintained, although there is also no lack of problems: there is an alarming shortage of physicians and medicines at the hospital, many subjects cannot be taught in the schools because of the lack of teachers, and some degree of diversity in foodstuffs is guaranteed only for an extremely small portion of the population, a situation that gives rise to protests and results in illegal trading channels.

Suspicion and Fear

In addition to FAPLA, Cubans are everywhere, either scattered around in the city's buildings or camped in the surrounding area. The Air Force (FAPA/DAA) uses the Yuri Gagarin Airport as an alternative to the big base in Lubango, and the Navy says it has a base here, although its presence is little more than symbolic. The territorial troops (the ODP [People's Defense Organization] and the BPV [People's Vigilance Brigades]) are not very active, but the State Security Service is here in force. Its facilities in the city serve simultaneously as barracks, headquarters and prison; in addition, it operates the Bentiaba (formerly Sao Nicolau) camp in the northern part of the province, making Namibe the leader in number of prisoners. The result is an atmosphere of suspicion and fear.

As a corollary to all that, Namibe is defended by missile batteries, one of them located on the hills near the port.

That port makes the city a strategic point of prime importance. It is through Namibe that the forces in the Fifth Region (FAPLA, Cubans and SWAPO) receive thousands of metric tons of supplies every year, although the capacity of the docks has been somewhat reduced by the setting of underwater charges by the Cubans, the destruction of equipment that was struck by a Soviet military freighter and the sabotaging of two ships by the South Africans.

The port gives priority to military cargo, and most civilian cargo is carried in CABOTANG's small boats or in ANGONAVE's small aircraft, since foreign merchant shipping prefers to avoid Angola.

Permanent Contradictions

Incidentally, employees of those two enterprises have been the target of government harassment, illustrating the permanent contradictions that exist between technicians and politicians. At the moment, a decision is being awaited in the investigation of CABOTANG, whose director and financial director and a Portuguese cooperator were arrested in such an obviously unfair and arbitrary manner that they were released soon afterward, while the sales director of ANGONAVE has been prohibited from traveling for the past 2 years without even being told why.

The importance of the port of Namibe has now been emphasized once again by the situation developing in neighboring Kunene Province, where Cuban troops recently took up a position.

For a long time, the Cubans kept their forward lines along the railroad line and rarely crossed it. Since the end of September, they have been gradually advancing along the Lubango-Xangongo road (on the southern bank of the Cunene River) and are now said to have reached Evale, about 90 km from the Namibian frontier and 47 km from Mongua, which the South Africans usually occupy when they penetrate the area and which has served as the point from where UNITA launches attacks on FAPLA columns headed for Ngiva.

This the first time that such large forces from the two intervening countries have been this close to each other. Considering the deployments that are taking place, the danger of direct confrontation is obvious. The result may be the most devastating battle of the entire Angolan war and one that will push Mavinga, Cuito Canavale, Cahama or Mussende into the background.

Everything will depend on the U.S.-mediated negotiations that are now taking place.

11798

Reorganization Plan Seen as Economic 'Perestroyka'

34420142a Lisbon O JORNAL in Portuguese
6 May 88 p 14-E

[Article by Luis Vaz do Carmo]

[Text] The Economic and Financial Reorganization Program recently approved by the MPLA Central Committee is nothing more than perestroyka carried over to difficult Angolan reality. Although the process has just begun, it is already possible to concede that its future implementation may take surprising forms.

In a recent speech introducing the document, President Jose Eduardo dos Santos considered it imperative to stop using the old "alibi" of the war and "admit courageously and in a spirit of self-criticism" that there are other factors explaining the Angolan crisis—making it necessary to eliminate them in order to "improve the situation significantly."

After recalling that the current situation of crisis due to external factors had led the state and party to pay more attention to austerity and emergency measures for overcoming it than to the need for a restructuring of the economy and its system of administration and management, the Angolan president maintained that it was "a mistake for us to continue applying palliatives or partial measures which do not solve the basic problems and which are at the root of the economic crisis in which our country has been engulfed practically since its proclamation of independence."

"Gallopig Corruption"

Still speaking in a tone of self-criticism, Eduardo dos Santos then declared that his "awareness of the need for change had matured" and went on to say: "It is necessary to correct that which has been poorly executed or poorly conceived in the economic area and to advocate more realistic and dynamic measures capable of accelerating national reconstruction."

Among the causes of a "subjective nature" which are said to explain the current stagnation of the Angolan economy, the speaker mentioned in particular "excessive centralization of the methods of socialist planning," the consequent "bureaucratization of economic management," the "disorganization and poor management of enterprises," and "galloping indiscipline and corruption."

Those factors, stimulated by others of an external nature, have led to the current situation in the Angolan economy, which is characterized by the deterioration in the purchasing power of wages, low labor productivity, inadequate financial resources in the state sector and the enterprises, a budget deficit, the inability of the banking system to remunerate foreign capital, growing foreign indebtedness, and so on.

To deal with the situation, the Angolan Government therefore decided to draw up the above-mentioned Economic and Financial Reorganization Program (PSEF), the objective being quite simply to create conditions for starting the process of stabilization and economic recovery in the People's Republic of Angola.

The program will be implemented by pursuing a "correct policy of alliances" and "revising the system of economic management and the economic and financial reorganization of the country's accounts."

The policy of alliances consists of incorporating the family-type economy and private enterprise into national economic channels.

In view of "the rapid, excessive, and disorderly growth of the state sector of the economy and the impossibility of guaranteeing profitable management of small enterprises," the PSEF includes the possibility of returning some of the latter to private enterprise, with the state concentrating its attention on "essential and strategic economic units."

In the area of planning, the General State Budget will be subordinated to the National Plan, with the foreign exchange budget being made part of the former. Projects included in the plan will not be allowed to exceed the financial capability of the state or the enterprises, making it imperative for investment to be preceded by domestic savings.

Opening Up to West

An important role in implementation of the PSEF will be played by international cooperation, both economic and financial, and relations with the Western countries are considered essential as a means of guaranteeing the maintenance and operation of infrastructures inherited from colonialism, their contribution being regarded as inevitable if national reconstruction is to be achieved.

In that context, the Angolan Government has decided to announce its intention to join the IMF.

As far as social support for the political power is concerned, the government of Angola continues to give privileged place to the alliance between workers and peasants, but it feels that the disruption of relations between city and countryside has led to autarky and the consequent obliteration of the character of those two classes.

In view of that reality, it has decided to review the size of the state sector and the control exercised over the private sector, making it possible, in connection with the conditions governing business enterprises—a subject dealt with in the PSEF economic package—to choose a generic statute which "will not exclude various forms of ownership."

Domestic trade is regarded as a privileged sector in connection with the policy of alliances between the state sector and the private sector. To revitalize that trade, tax status will be accorded to merchants who are operating illegally today, and the free circulation of goods between provinces will be allowed.

With that objective in mind, the division of labor—"the key to economic progress"—will necessarily depend on reestablishment of the system of trade between cities and rural areas.

Activities that will promote that process of regional rearrangement—"retail trade," "transit trade," "transportation" and "civil construction" on the one hand and "agriculture and stockraising" and "handicrafts" on the other—are viewed as "areas favorable to development of the private sector."

The new vision inherent in management of the Angolan productive sector presupposes the authorization of relations of ownership among enterprises and also makes it possible for investments to be directed into those sectors where the most monetary demand on the part of the inhabitants exists.

But the spirit of the PSEF goes much further by accepting the practice of "financial incentives" so that enterprises can compensate workers "whose capabilities are most useful to the productive process."

While the intention behind the PSEF, as Jose Eduardo dos Santos said, "is not to reprivatize but to make management more efficient," it is a fact that the People's Republic of Angola has decided to rely strongly on the private economy by beginning a process of "opening-up" whose future implementation may turn out to be surprising.

11798

Imports of Finished Products Reduced To Stimulate Production

34420140d Luanda JORNAL DE ANGOLA in Portuguese 26 Apr 88 p 3

[Article by Joao Pokongo]

[Text] Cabinda (From our bureau)—Angolan Minister of Foreign Trade Domingo Rangel has announced in Cabinda that in an effort to stimulate domestic production, there will be a reduction in imports coupled with application of the principle of prioritizing the importation of raw materials for factories and industries instead of finished products.

"MINCEX," Rangel said, "in concert with the various economic representatives of the production sector, is studying the possibility of coordinating their respective actions through prior registration of these actions, with a view to reducing and replacing imports. The resultant statistics would be presented promptly, and an entity would be created to take overall responsibility for this task so that joint action might be carried out."

At the conclusion of a 3-day working visit to Cabinda, the minister of foreign trade told the press in this city that the program for replacing and reducing imports and promoting exports cannot be carried out separately by MINCEX. He emphasized the growing conviction that precision, hard work and joint visits to the various sectors are necessary in order to establish and ensure a predetermined quality in the products that are exported.

Domingo Rangel said he had ascertained on his visit to Cabinda that certain products cannot be exported simply because of minor defects, and that in some cases the small scale of investments makes it impossible for manufactured products to possess the qualities and prerequisites for export that will enable them to win acceptance abroad. In this connection the minister mentioned the case of anchor plates, which confirmed the need for moving forward in concert with the production sector to carry out this activity.

The minister said that in connection with the reduction and replacement of imports some actions have already been taken in Cabinda, notably with respect to the importation of raw materials for domestic factories that will produce dyes needed by the province for various purposes including—among others—the manufacture of children's clothing, thereby benefiting the local Orix garment factory.

Domingo Rangel explained that from the standpoint of replacing imports, the plan will initially be to prioritize the importation of raw materials, while from the standpoint of reducing imports the initial step will be to stimulate an increase in domestic production and thereby make possible an actual reduction in imports, although the reduction in imports will also be subjected to an improved process of control over current imports as well as the process of distribution itself.

In the opinion of the foreign trade minister, opportunities exist for rationalizing imports if certain actions now under study are implemented. He disclosed that his comment to this effect was well received by the leaders with whom he conferred, and he accordingly recommended that all parties undertake a commitment in this regard, for otherwise it will be necessary to wait for domestic production to increase before taking action to cut imports.

With respect to the promotion of exports (one of the questions studied by Domingo Rangel in Cabinda), the statement is repeatedly made that the province has great potential for increasing the export of timber. Although this potential also exists in the case of coffee, coffee requires an investment base, whereas in the case of cacao a promotional effort can be made despite the fact that production is on a small scale.

Meanwhile, more than 80 tons of coffee and approximately 100 tons of cacao are stored in Cabinda awaiting export. Domingo Rangel says that MINCEX will study this matter urgently in concert with the entity that directs this activity—namely, the Secretariat of State for Coffee—with a view to developing a policy that will permit the emergency export of these products, which risk deterioration if measures are not taken immediately.

According to the minister, because of problems relating to coordination these products have simply been kept in storage, thereby losing even their value at cost. He

added, however, that a simple solution has already been found to overcome this difficulty, namely the removal of the middlemen who were intervening in the export process and were also adding to the cost of the product. This action will create the most practical conditions for imparting renewed impetus to our exports.

"Angolan coffee is highly esteemed abroad," Rangel emphasized. "This appreciation of our product is the result of the composition—or formation—of batches that are mixtures of coffee from various sources. The coffee picked in Cabinda must accordingly be blended with coffee from other sources to produce batches of increased value so that our coffee can be sold abroad for a higher price." In this connection he noted the lack of autonomy for the export of coffee from the port of Cabinda such as occurs in the case of other agricultural products.

During his stay in Cabinda the minister of foreign trade conferred with Provincial Commissar Jorge Barros Tchimpuaty and met with the members of the provincial leadership, with whom he discussed matters relating to the import sector.

He visited the ports of Cabinda and Landana as well as several industrial complexes for the production of semi-processed timber (specifically, the Pau Rosa production unit associated with Panga-Panga; Cabinda Industrial; and Abilio de Amorim) in addition to meeting with officials of the MINCEX branch offices concerning the program for restructuring and reorganizing the departments of his ministry.

Before leaving Cabinda to return to Luanda, Domingo Rangel presided over the inauguration, in Cabinda, of the "Open Stores" which on this date will initiate the process—or system—of supplementary supply for the cadres. This is in addition to the decisive role these stores play in earning foreign exchange here in Cabinda, having already established coordination with the local bank.

In his brief remarks at the inauguration of the Open Stores, the minister advised all entities concerned with domestic trade to intensify their efforts to create the conditions necessary to overcome any difficulties that could stand in the way of the successes projected to occur with the creation of these stores.

10992/08309

Cooperation in Education With Morocco Cited
34420140b Luanda JORNAL DE ANGOLA in
Portuguese 10 Apr 88 p 12

[Text] The People's Republic of Angola [RPA] and the Kingdom of Morocco will expand their relations of cooperation in the area of education and training.

According to an announcement by the Ministry of Education, Angola and Morocco will exchange high-level delegations to make an in-depth study of their respective educational systems with a view to identifying the formulas and opportunities for determining those areas in which cooperation would be beneficial.

At a meeting held in Luanda between Angolan Minister of Education Augusto Lopes Teixeira and Moroccan Minister of Commerce and Industry Abdallah Azmani, the two parties decided to train cadres through the medium of scholarships granted by the North African nation at the levels of secondary, technical and higher education, as well as the assignment of instructors to the RPA, for which purpose a system of compensation would be adopted to provide greater uniformity and reciprocity in the exchange of experiences.

In the course of the talks the Moroccan official expressed his thanks for the reception he received during his stay in Angola. He also said that Morocco stands ready to cooperate with our country in the various fields of endeavor, and especially in the training of teaching cadres.

Minister Abdallah Azmani took the occasion to invite Education Minister Augusto Lopes Teixeira to visit the Kingdom of Morocco as soon as possible to inform himself of the true status of education in his country.

10992/08309

Government's Development Plans for Lunda Norte Viewed

34420140a Luanda JORNAL DE ANGOLA in Portuguese 26 Apr 88 p 1

[Text] Dundo (ANGOP)—A delegation from the Council of Ministers headed by the minister of state for the production sector, Pedro de Castro "Loy" Van Dunem, decided—in agreement with the authorities of Lunda Norte Province—that a special foreign-exchange system is needed for that region of the country.

The purpose of this measure is to decentralize the foreign-exchange budget process by assigning to the province a ceiling that will enable it to import essential products for its residents.

This question is important by virtue of the fact that in a substantial majority of cases, the current levels of supply for the population of Lunda Norte are closely related to the campaign against the illegal traffic in diamonds.

Lunda Norte Province is basically a producer of diamonds—one of Angola's principal sources of income—and for that reason the province has been governed by a special statute ever since its creation 10 years ago.

The joint meetings between the Council of Ministers delegation and the provincial authorities of the party and government also produced two recommendations: reorganization of the agricultural sector as a means of obtaining better yields in agricultural and livestock production, and improvement of the transportation network.

In the public health area, plans call for the construction of a hospital center in Lucapa (future capital of the province), an increase in the supply of medicines, and the dispatch of specialized personnel.

For the construction sector, rehabilitation of the existing quarries in the province was recommended, while the minister of internal trade is scheduled to rehabilitate the hotel industry in Chitato and Cambulo based on prevailing conditions.

It should be noted, however, that a group of measures recommended 3 years ago by the Council of Ministers has to date not been implemented, including specifically the scheduling of two flights per week to take food and fuel to the province.

Because of the activities of the puppet bands along the rail lines that give access to Lunda Norte Province (and also to Lunda Sul), those provinces have been supplied by air, resulting in great financial outlays and a consequent reduction in the sums available for transportation.

It will be recalled that the Council of Ministers delegation that went to Lunda Norte also included Minister of Construction Joao "Whitey" Henriques Garcia Branco; Minister of Industry Henrique "Onambwe" dos Santos; Secretary to the Council of Ministers Flavio Fernandes; Assistant Minister of Agriculture Joao Jardim; and Assistant Minister of Foreign Trade Ambrosio Silvestre.

10992/08309

Business Slows Down at Douala Port
Yaounde CAMEROON TRIBUNE in English
19 May 88 p 2

[Text] Shipping companies, customs clearing agencies and stevedoring companies are presently facing hard times because of cargo slump at the Douala/Bonaberi port. The port, which is the focus of Cameroon maritime business, accounts for 97 percent of the nation's maritime cargo traffic.

Figures from the recent ports authority quarterly magazine: Cameroon Inter-Ports show that the general cargo flow at the port dropped during the 1987-88 business season. The same source explained that this cargo slump which started way back in 1985, is a direct consequence of the ongoing economic crisis.

Within the last 6 months of 1987, only, 1,745,192 tons of cargo was handled at the port. This shows a 13.74 percent drop from the 2,023,191 tons of goods that were shipped in corresponding period in 1986.

A breakdown of this figure shows that still within the 1987 period a total 1,292,879 tons of goods were imported through the Douala port. The figure is 18.13 percent down the 1,579.0 tons of consignments cleared at the port within the first 6 months of 1986.

All was not bad however, exports increased marginally with 444,164 tons of raw materials that were shipped out of the country between July and December of 1987. The slight increase is 2.23 percent higher than the 434,472 tons of cargo shipped through the same port between January and June 1987.

In all 557 cargo vessels docked at the Douala/Bonaberi ports during the last 6 months of last year. The figure again is 9.73 per cent below the 617 ships that berthed at the port during a corresponding period in 1986.

The worst hit of the business is the container wing where only 20,980 containers were cleared at the Douala/Bonaberi port during the first 6 months of 1987. It will be recalled that a total of 23,946 containers were cleared at this port during a similar period in 1986. As a result of this drop the tonnage of containerised goods fell by 12.28 during this period.

The general decline in maritime business at this port has not only been caused by the ongoing economic crisis. Food aid transiting Douala to Chad has been cut down drastically in recent times.

Africa's Portuguese-Speaking Nations' Ties With Portugal Examined

34420143a Maputo NOTICIAS in Portuguese
4 May 88 p 3

[Commentary by Tomas Vieira Mario of the Mozambique Information Agency in Lisbon]

[Text] A new, more constructive force has lately been characterizing relations between the five African countries whose official language is Portuguese—Angola, Cape Verde, Guinea-Bissau, Mozambique and Sao Tome and Principe—and their former mother country, Portugal.

This is the final idea that was stressed by the Mozambican minister of foreign affairs, Pascoal Mocumbi, at the end of his official 3-day visit to Portugal. In addition to being Mozambique's minister of foreign affairs, he was also visiting Portugal in his official capacity as ministerial coordinator of the above-mentioned group of states.

As he had said in contacts with the press in Portugal after the visit of the foreign ministers of the "Five" to Portugal in July of last year, the climate which one now finds is one of "better understanding on both sides," and even of reconciliation of positions on fundamental problems of a political and diplomatic nature ranging from the conflicts in southern Africa to the question of East Timor.

In fact, this question had been one of the main matters carried to Portugal by Pascoal Mocumbi on the visit that he made between 28 and 30 April, and, as if to prove it, the first official meeting that he held was precisely with the ambassadors from Angola, Cape Verde, Guinea-Bissau and Sao Tome and Principe, in addition, naturally, to the representatives of Mozambique's diplomatic mission.

If, on the visit of the foreign ministers of the "Five" in July of last year, Minister Mocumbi listed as an objective the removal of "obstacles that are hindering" the hoped-for increase in multilateral cooperation with Portugal, such "obstacles" were in fact the space that representatives of terrorist groups such as the armed bandits in Mozambique and UNITA in Angola were occupying on Portuguese territory, beginning with Lisbon.

At the end of the visit, Minister Pascoal Mocumbi, after observing that the ministers had met with "positive reactions" on the part of the Portuguese authorities, ended by quoting words that had been spoken by President Mario Soares the previous evening.

"Portugal will never be a sanctuary for actions against the legitimate established governments in Angola, Cape Verde, Guinea-Bissau, Mozambique and Sao Tome and Principe."

Further along, and still speaking in the name of the whole group, he would warn: "Those who think that the future of Angola and Mozambique will be created by the bandits of UNITA and the bandits of the so-called Renamo are deceiving themselves."

In addition to that statement by President Mario Soares, which was made to the press after the meeting with the five ministers, Prime Minister Cavaco Silva, speaking for the Portuguese authorities the following day, would express himself in terms that had never before been used by his predecessors when he characterized those two groups as "terrorist groups."

It is important to recall the interest that this ministerial mission awakened in Portuguese public opinion at the time, remembering that, until then, the public and ostensible activities of the heads of those groups had been omnipresent in the written press, on radio, and on television.

Significantly, the former spokesman for the armed bandits in Portugal, who had given himself up to the Mozambican authorities in March, Paulo Oliveira, managed to get into the palace of Prime Minister Cavaco Silva to hear Mocumbi's statements, which were being covered by the newspaper O SECULO. Oliveira used a journalist's identification badge from O SECULO to get in.

An uproar ensued in the courtyard and halls of Sao Bento Palace, and the embarrassed local authorities would end up inviting him to leave, under the justification that Oliveira did not have the proper credentials. Otherwise, he would have been seated in the press room, and, had he so desired, could have asked the Mozambican minister questions.

The dialogue between Minister Mocumbi and the other four, and the Portuguese and foreign journalists who had come to the press conference then revolved around two basic questions:

—What could the Portuguese Government do, since the representatives in Lisbon of such groups, particularly those of the so-called Renamo, had Portuguese citizenship and were therefore legally protected?

—Will the Five have some counterpoint or some means of applying pressure to force Portuguese authorities to keep the country from becoming a propaganda base for such groups?

The answer to both questions would be found in two paragraphs of a document from the office of the Attorney General of the Republic of Portugal, in an opinion handed down by the minister of justice in the last government of Mario Soares on 20 June 1985:

"Although there is no question that the exercise of freedom of expression and information in a State with democratic rights such as the Portuguese [state] is assured, with respect to and in guarantee of fundamental rights and freedoms and pluralism of expression, there is a growing conviction that those means are giving rise to incidents of violence and are supporting actions of armed groups within the territories of those States with manifest prejudice to Portugal's national interests, whether in its embodiment as a State or with regard to individual citizens."

"It so happens, at times, that the activities of groups of this nature, as in a particularly exemplary way the so-called "Mozambican National Resistance" (Renamo) has been demonstrating, have brought into question Portugal's interest in undertakings such as that of Cahora-Bassa, with an obvious impact at the diplomatic, economic and financial levels, just as Portuguese citizens living in those States have been victims of similar actions, with serious harm to their lives and possessions."

So, reading this excerpt proves that taking a position against the activities of these groups on Portuguese soil not only does not violate any "freedom of expression and information," but would even be in self-defense of multifaceted Portuguese interests in Mozambique and in Angola, including the lives of Portuguese citizens.

With the passage of almost half a year, the terminology used by the chief of Mozambican diplomacy indicates a change in the analysis of the Portuguese position regarding this matter.

If, in an unheard-of decision, the coming to Lisbon of all five ministers, which was mandated at the summit of their respective presidents, in some way marked a position of unanimity in the face of which Portugal's indifference would not only create risks—at least diplomatically—but would also exacerbate resentment, it is worth noting, on the other hand, some important factors that would have helped to alter the climate:

In the specific framework of the internal Portuguese political chess game, the overwhelming victory of Cavaco Silva in last July's elections would make it possible to put together a majority government. In other words, it promised a 4-year period of stability capable of launching a medium or long-range African foreign policy.

This could be an African foreign policy conscious of the fact that, politically and diplomatically, it would even make possible important dividends with the European Economic Community, which relatively quickly understood the nature of the conflict in the area and, particularly, of the war in Mozambique. Portugal could not allow itself the luxury of getting into disagreements with powers such as England and France.

Far from being spectacular for the case, here is an example that can be cited:

Contrary to what would be expected to happen, judging from the uproar raised by the Portuguese press, "in no meeting, and on no occasion, were we taken to hear another

question concerning the death of Mr Evo Fernandes by members of the Portuguese government," a member of the Mozambican ministerial delegation assured us.

The idea that Portugal is listened to carefully in the European Community with regard to African matters, especially those relating to the "Five," cannot be attributed to the fact that they all have the same language. The language is fundamental.

Currently, we are witnessing a cycle of economic and financial reforms in almost all the "Five," in measures that have the support of the EEC, with Mozambique being just one example.

Furthermore, these same political and diplomatic understandings would be indispensable for the coordination of practical actions in which Portugal, and later Brazil, would plan to get involved.

Pascoal Mocumbi says: "We are certain that the 'Five' constitute a viable project, both politically and economically. We are prepared to challenge the world on the question of the group's viability."

If institutionalizing the group would imply great organizational and even economic efforts which are incompatible at the current moment with the need to apply all existing means in the struggle for peace in southern Africa, what is occurring in the minds of the African leaders as a solution will not be the creation of the group of the "Seven" (adding Portugal and Brazil) either.

"Our bonds are not based on language, as is common. They are based on a great political identity, which has been forged in a common struggle against a common enemy. We now have models of common societies." This, again in Mocumbi's words, is the group's reason for existing and for its viability.

There are currently many avenues for working together with Portugal. The area of professional training, for example, could become a priority, as is being suggested. Moreover, the idea has already been put forward for Portugal to provide short-term support for the training of diplomatic personnel for the "Five" in an agreement to be arrived at multilaterally.

Likewise, the question of East Timor, which the "Five" have been bringing up persistently, raising the issue at international forums such as the United Nations and even the OAU [Organization of African Unity], may be addressed through likewise coordinated actions, since, in accordance with the United Nations, Portugal still has legal responsibility as the administrative power of the territory.

9895

CBN To Blacklist Companies Involved in Forgery, Underpricing

34000641b Lagos *BUSINESS TIMES* in English
23 May 88 p 16

[Article by Nduka Nwosu]

[Text] A total of 100 defaulting companies on the list of three inspection agencies may be slammed by the Central Bank of Nigeria (CBN) for various offences ranging from forgery, underpricing to outright evasion of pre-shipment inspection.

Statistics collated by *BUSINESS TIMES* from these inspection agencies show that most of these companies in a bid to cheat the Customs and Excise unit forged Forms 'M', split their units of imports and used neighbouring countries' ports to smuggle in essential commodities.

One of the defaulters is being queried on irregularities relating to unaccounted imports valued at U.S.\$4 million—about N12 million.

The defaulter said one of the inspection agencies, raised a 'Form M' for the importation of essential spare parts which were finally valued at U.S.\$135,000 with a large amount of U.S.\$3,865,000 which no officer of the defaulting company is yet to account for.

A *BUSINESS TIMES* investigation until the time of going to bed showed that the officers were keeping sealed lips on the irregular imports.

Another company which manufactures plastics forged a Form M which was passed through an International Merchant Bank, which apparently unaware of the irregularities, could not submit the form for pre-shipment inspection.

The exporter of the product was said to have confessed to be in business in Nigeria for the first time with the company in question for the shipment of PVC sheets without relevant Form M documents.

Referred to as a very good case of forgery, the documents in question were sent to the agency's office in London for forensic examination while awaiting further results by the CBN.

Apart from this, other companies based in Lagos and the northern and southern parts of the country were involved in large scale malpractices valued at over U.S.\$100 million.

An Ikeja-based company made a good case of pre-shipment evasion while a factory in Imo State defrauded the government by over N500,000 of customs duty not paid for.

/9604

NITEL To Use Videophone Networks for Communication, Banks

34000642c Lagos *BUSINESS TIMES* in English
16 May 88 pp 1, 13

[Article by Assumpta Ekpe]

[Text] NITEL plans to boost and enhance communication in the country by raising additional telephone lines and reactivating/expanding the existing ones, *BUSINESS TIMES* survey has revealed.

This will be accomplished through a gradual phasing out of the old analogue lines and going digital in its exchange system like most developed countries. Video phone network is also planned for to enable banks and their branches to communicate with each other on two-way system.

This time around, rural and remote areas are not left out in the development scheme as NITEL plans to spread its tentacles by providing them with basic satellite communications facilities which will be in five categories. Areas with less than 30 prospective users will be provided with a village phone call office; those areas with 500 or more users will be switched on to the conventional phone exchange locations.

Domestic satellite network will be expanded to accommodate neighbouring countries through the use of conventional terrestrial links since cable and microwave installation are, in some cases, made impossible by adverse terrain, climate and other factors.

At present, the execution of some projects have already started in the country. About 65,000 line digital exchanges are billed to be installed in Abuja, Kaduna, Kano and Sokoto respectively as well as in each of some 22 local government headquarters.

As part of efforts to expand Nigeria telecommunication networks, about N11 million contracts have recently been awarded to four contractors by the tenders board of the Ministry of Communication in conjunction with overseas NITEL.

The ELTEC (Nigeria) Limited has a N3.8 million contract for the redistribution of telecommunications equipment in Solo, Amuwo, and Shomolu phonex exchanges in Lagos and a N1.7m for redeployment of a 1,000 LCP 24 mobile exchange at Abuja airport up to Garki area and areas under the contract.

ERICSSON (Nigeria) Limited is handling a N1.4 million contract for spare parts for telephone exchanges at the Marina International Switching Control (ITSC) expected to be used to boost the international switching network which has been faulty.

DETECON (Nigeria) Limited is to review NITEL's investments on a 5-year programme starting this year and ending 1992 at N2.1 million.

NATCO (Nigeria) Limited N2 million contract is to extend telecommunications services in Ozoro local phone exchange to Oleh/Irruah, Emede and Igbide all in Isoko local government of Bendel State.

The Research and Development Unit of NITEL is at present engrossed with how to save the country some scarce foreign exchange (at least 50 percent by studying how best to, with minimum of foreign investment, run a manufacturing outfit that will produce spare parts instead of purchasing them abroad). This venture is expected to take off end 1988 or early '89.

A telecommunications management training centre is planned for to train NITEL personnel and NITEL has taken over maintenance of Domestic Satellite (DOMSAT) from Radio Communication of Nigeria Limited.

For effective and prompt billing system which has been the woe of NITEL, billing decentralization has been introduced with computers in the headquarters of the five zones of Lagos, taking care of Lagos areas Ibadan for South-West, Enugu for South-East, Kaduna, North-West and Bauchi for North-East.

However, all have not been rosy for NITEL. It suffers from damage of its cables by construction companies like the Lagos-Kaduna coaxible cable link and theft by unscrupulous individuals. The stolen underground cable around Eko Bridge cost about N800,000 to be replaced.

Appeal is therefore being made to individuals to desist from such ungodly acts and to construction companies to be extremely careful in the execution of their work. At least, it would be understandable if NITEL has only such natural forces as lightning strikes to contend with.

The country has a total of about 199 phone exchanges with a total installed capacity of about 382,108 out of which about 255,959 have been connected as at March this year. [There are] 14,510 International Direct Dialing (IDD) circuits in the country out of which Lagos zone alone was a total of 14,134. North-East has 338 subscribers, South-East and South-West 19 subscribers each.

About N2 billion (pre-FEM) has been spent on the building and installation of telephone exchange in the 21 states of the federation since 1975.

/9604

Foreign Affairs Minister Appeals to Dissidents for Unity

34420143b Lisbon *EXPRESSO* in Portuguese
14 May 88 p 20

[Article by Carlos Benigno da Cruz]

[Text] In a measure intended to bring about national reconciliation, Sao Tome and Principe's minister of foreign affairs, Carlos Graca, will appeal this afternoon [14 May 1988] to dissidents and opponents to return to the country and collaborate in the new phase of Sao Tome and Principe's political life, which is marked by great liberalization.

"They will all be well received in Sao Tome, independently of their political options," the minister said to *EXPRESSO*. He himself is a former dissident who was recently reclaimed by Pinto da Costa's regime.

According to Carlos Graca, who is currently in Lisbon, the trial of the 41 people who were arrested following the attempted coup d'etat on 7 March will be carried out as quickly as possible and will be open to the international press and to observers from Amnesty International. The minister says: "The attempted overthrow was carried out by 44 men, 2 of whom died in combat; a third died in jail." The initial interrogation phase leading up to this trial is almost complete.

For Carlos Graca, the attempted coup—whose leaders may have been counting on an uprising by the people and the Army—"occurred at the worst possible moment, when a declared opening was being witnessed" in Pinto da Costa's regime.

Referring to this change, which was marked by the abandonment of collectivism and by growing democratization and economic liberalization, the Sao Tomean minister stated to *EXPRESSO*: "Our regime was one of an economic option geared toward collectivism and Marxism, which were not in accordance with the realities of our country."

For Carlos Graca, the first sign of change appeared in July of 1984, when President Pinto da Costa recognized the mistakes that had been made. The second turning point was in March of 1985 "when a law came out opening all sectors of the economy to private initiative.... In 1987, it was decided that only strategic companies would remain nationalized," which, for the minister, is the final recognition that the "citizen must involve himself actively in production."

In the political aspect, Sao Tome and Principe's only party is outlining a process of internal democratization, having "at this moment a clear and unmistakable option to deepen society's democratic experience," says Carlos Graca, adding: "Now all the party offices are filled through elections by secret ballot, and any citizen can become a candidate for the People's Assembly."

Concerning the question of the eventual evolution of the regime into a multi-party democracy—former Prime Minister Miguel Trovoada and the National Resistance Front continue to defend the idea of putting an end to the single party system—Sao Tome's minister of foreign affairs defended the opinion that "democracy has to be introduced by degrees," because "pushing for multiple parties for Sao Tome and Principe at this stage is unrealistic and could compromise that process of democratization."

Concerning the country's economic situation, Carlos Graca alluded to great difficulties caused by the drop in the price of cacao beans and the blocking of some credits by the International Monetary Fund and the World Bank.

In other matters, Sao Tome's minister confirmed for us the fact that the head of his government, Celestino da Costa, will visit Portugal during the summer, and that Cavaco Silva may go to Sao Tome before the end of the year.

9895

POLITICAL

Buthelezi on Regional Political Issues

34410141a Lisbon SEMANARIO in Portuguese
7 May 88 p 30

[Interview with Mangosuthu Buthelezi, chairman of the Inkhata Party, by Carlos Blanco de Morais, in Portugal; date not given; first two paragraphs are SEMANARIO introduction]

[Text] An intransigent advocate of change by peaceful and concerted means, black South African leader Buthelezi, who is visiting Portugal, feels that "all races can work together in South Africa."

Mangosuthu Buthelezi, a Zulu prince who is the head of government in the region of Kwazulu and chairman of the Inkhata Party (with over 1 million members), is viewed by some people as the man who may become the first black president of South Africa. Regarded by the ANC as a "tribalist puppet of apartheid," by skeptics as the "Muzorewa of transition," and by most conservative governments in the West as a realistic leader advocating a negotiated solution for the postapartheid period, the Zulu leader is necessarily a controversial figure.

[Question] You have persistently rejected a proposal by Pretoria to convert your autonomous region of Kwazulu into another of the so-called semi-independent Bantustans. Would you like to explain the reasons for that rejection?

[Answer] They are based simply on the fact that I cannot accept the idea that South Africa should be fragmented territorially on the basis of racial segregation like that which has been developed through a policy as repugnant as apartheid.

[Question] Some people say that the real reasons for that rejection lie in your personal ambition to become the first black president of South Africa.

[Answer] People are free to imagine what they like. It has never been a special objective of mine to be the first black president of South Africa, so I don't know how they can see in my mind a desire to occupy such a position.

[Question] In any case, you do not come across only as a regional leader or chief of the Zulu ethnic group, but also as a national leader.

[Answer] It is true that Inkhata is not simply a regional movement, nor does it consist only of Zulus, since in fact it includes other ethnic groups in the black majority. At the same time, I am chairman of SABA [South African Black Alliance], a multiracial political coalition that includes Colored, Indian, and white voter groups.

Ethnic Cooperation

[Question] The latest polls name you as the most popular black leader in the white community. Doesn't that feed the rhetoric of those who accuse you of being a collaborator?

[Answer] They can engage in whatever insults they choose, but doing so will not hide the fact that my party, Inkhata, is the largest black liberation movement in South Africa, with the largest women's wing and the largest youth wing.

With a foundation like that, and having in view the building of a society devoid of racial segregation, it would be absurd to reject white support out of fear of attacks by my opponents, who would continue to attack me anyway, no matter what the circumstances.

Our support for ethnic cooperation was made very clear, incidentally, in the plan by the Buthelezi Commission, which recommended the establishment of a new region with a multiracial government to be known as Kwazulu-Natal. If that plan is implemented, it will prove that all races in South Africa can work together.

[Question] Concerning Kwazulu's merger with Natal Province, you said in a speech a few days ago that a plan like that was gathering dust in a government drawer at the moment. Is there no hope that the situation will reverse itself?

[Answer] The government is in fact under pressure, so much so that President Botha is now talking about setting up a Black Chamber which, together with the others, would elect the new president of South Africa.

In the past, it has been the government's practice to impose the policies it considers most correct without consulting us. But we are now entering a new situation in which the government has become aware that it cannot permanently prescribe any form of government that does not have the support of the blacks.

So even though it may continue to "collect dust" for a little longer, the Kwazulu-Natal solution is the only "fire exit" the government has for resolving the current political crisis, with the result that it will necessarily have to become aware of that fact.

Incidentally, Inkhata has already established a provisional Executive Committee with the Indian white authorities of Natal for coordinating a number of policies between the two regions.

[Question] But it is said that that body's powers are unimportant.

[Answer] Look, it represents the beginning of a regional solution, not a national one, which is what happens in a country fragmented by racism. It is time for policy and

negotiated solutions to stop coming down exclusively from above; instead, they must start flowing from the grass roots so that later they may reach the top.

The solution recommended by Inkhata (meaning "chief's council" in Zulu), which calls for establishing Kwazulu-Natal, marks the first time that members of different races have sat down together and negotiated the sharing of powers to be exercised in a given territory. Moreover, it cannot be said that the powers of the Executive Committee are unimportant. The two regions (Natal and Kwazulu) have started administering a joint budget and cooperating in the fields of welfare, hospitals, and housing, something that is important from every angle to a poor people like mine.

New Courses of Action

[Question] Do you feel that a similar multiracial solution can be exported to the more difficult areas such as Transvaal or the Orange Free State, where Afrikaners predominate?

[Answer] I am not a prophet. I feel, however, that people are not crazy and that if later they see that the different ethnic groups are beginning to get along with each other in administering the territory, it is very possible that they themselves will then drop their currently rigid positions and seek new courses of action.

[Question] In your speech on Monday, you proclaimed yourself a leader of nonviolence. It is known, however, that members of your party—Inkhata—have been involved in bloody confrontations with the ANC's legal organization, the UDF [United Democratic Front], and that over 270 people died in 1987. How far can that go and still fit in with a strategy of nonviolence?

[Answer] The deaths occurred on both sides. As a political leader committed to peaceful change, I can only deplore the confrontations that have been created. But the situation has its origin in those who say they want to "make the country ungovernable"—that is, the ANC and its allies in the UDF and COSATU [Congress of South African Trade Unions]. And I cannot prevent my members from defending themselves when they are the targets of harassment. Although I do not agree with the ANC's methods, I have never attacked that organization directly because of my disagreement. I have respected the path it has chosen to follow. It follows that I cannot allow the ANC to challenge my democratic right to pursue a nonviolent strategy.

[Question] Do you regard it as at all viable to institute the system of "one man-one vote" in a South Africa whose territory is organized on the unitary model?

[Answer] The principle in itself must necessarily be accepted by all black political organizations having a minimum of credibility. I feel, however, that we must not insist on it as an absolute rule, because if we do, we

will risk destroying the vital foundation of future change. Moreover, it happens that many Western democracies are federal states, and it is wrong to think that because we were once a British colony, people may see Westminster-style democracies introduced in our territories. Hence the suggestion, based on the example of the Indaba regional plan for Kwazulu-Natal, that there be a conglomerate of politically autonomous territories (thus excluding a typically unitary solution) within which either a proportional voting system or one based on a majority vote would coexist with certain interinstitutional checks and balances to guarantee in all cases the political freedom of certain minorities.

[Question] Haven't there been direct talks between Inkhata and the ANC?

[Answer] Last year the secretary general of Inkhata, Dhomo, spoke with M'Beki, Jr. for 3 hours in New York, and the two agreed on a meeting between the two organizations in London. That meeting did not take place because the ANC backed out at the last minute, alleging "transportation difficulties." Hence the fact that no talks are underway between the two political organizations at the moment is not our doing but that of the ANC. Incidentally, the way in which they attack me on all sides, especially through the daily insults on their radio broadcasts from Dar es Salaam and Lusaka, amply demonstrates that they are against dialogue. Even so, I am willing to talk to them.

Mandela's Shadow

[Question] For a long time you have been demanding Mandela's release. Aren't you afraid, however, that the release of a national figure such as the imprisoned leader might relegate you and Inkhata to an obscure secondary role in the future life of the country?

[Answer] No, no, you are mistaken! Mandela is a martyr, not a focus for mobilization of the masses. I don't want to compete with Mandela, but at the same time, I cannot accept the idea of being placed in a minor role in relation to him in the future. Incidentally, Mandela told General Obasanyo (former president of Nigeria) and Helen Suzman (leader of the white liberal opposition) from his prison that talks with me would be essential for reaching a peaceful political solution for the country.

[Question] But do you or do you not have real political disagreements with Mandela?

[Answer] We differ with respect to the policy of violence and armed struggle, a solution which, as you know, I reject. But we agree on the final political objectives. Moreover, I personally believe in a free market even though my people in South Africa have been repeatedly exploited. I feel that an economic system as efficient as that based on private enterprise—despite all the latter's defects—has never been invented anywhere in the world. A system of purely formal political freedom that is not capable at the same time of improving the citizens' standard of living would be of no use to us whatever.

When, for example, I see my starving brothers fleeing to South Africa from Angola and Mozambique, I realize how wrong it is to destroy the national foundations of future development.

[Question] Do you believe the talks taking place in London between Angola, Cuba, the United States and South Africa will be successful?

[Answer] They are very important to the process of peace and stabilization in the region. South Africa's involvement in Angola is not desirable, since the quantity of rands it spends on military operations should be used in the struggle against my people's poverty.

[Question] But don't you also condemn the presence of Cubans in Angola?

[Answer] The presence of foreign troops in Angola, whether Cuban or South African, is not desirable.

[Question] What do you think of the role being played in Angola by UNITA and in Mozambique by Renamo?

[Answer] I don't know much about those two movements except what I read in the press. As far as Angola is concerned, I feel that UNITA should be involved in the peace negotiations, since I do not accept the position of those who reject Savimbi's participation in that process on the grounds that he is a puppet of South Africa, because in fact that is not true.

[Question] In conclusion, what is your opinion of the Portuguese community in South Africa?

[Answer] It is a vast community which has contributed a great deal to the country's development. Of all Europeans, the Portuguese were the first to arrive in Africa, and in fact they are the only ones with a legitimate right to teach us anything, given their traditional policy of assimilation, which, when you come down to it, has always been opposed to apartheid.

11798

MILITARY

Strategic Institute Director on Country's Air Strike

34010052a Cape Town DIE BURGER in Afrikaans
12 Apr 88 p 13

[By our Defense Force Correspondent]

[Text] The Air Force's apparent ability to strike deep in Angola despite a formidable air defense shield constructed there by the Soviets precisely to foil South African air strikes obviously came as a great shock to the Soviets.

The recent successful air strike near the Angolan town of Lubango, which lies about 300 km north of the border with South-West Africa and is protected by an extensive radar network, can be described as yet another bloody nose delivered by South Africa to Soviet involvement in Angola, according to Prof Mike Hough, director of the Institute for Strategic Studies at the University of Pretoria, who spoke to DIE BURGER yesterday.

"The fact that the Air Force was able to destroy the air defense system must certainly have raised many eyebrows. We can assume that the Soviets are not at all happy about it."

In the latest issue of the authoritative military journal JANE'S DEFENCE WEEKLY there is an article on the Air Force's successful attack and on the air defense system in Angola.

According to the article, the successful attack is particularly revealing in light of the fact that the system in Angola is probably the most advanced Soviet air defense system outside the Warsaw Pact countries.

The system consists of 75 mobile radar stations of 7 different types. The stations are deployed at 23 different points and form an extensive command and control network. The defensive part of the system consists of three types of jet fighters, six air defense missile systems, and antiaircraft artillery of four different calibers. According to the report, field units are also equipped with three types of shoulder-fired air defense weapons.

There are currently 40 MiG-21 Fishbeds, 40 MiG-23 Floggers, and an unknown number of Su-22 jet fighters in Angola. The MiG-21's are manned by Soviet-trained Angolans, while the MiG-23's and Su-22's are probably flown by Cubans and to a lesser degree by Soviets and East Germans, according to the article.

According to Prof Hough, the Air Force's ability to penetrate deep into Angola brings a new dimension to the struggle in that country, particularly with the possibility that the Air Force may be able to refuel the Cheetah jet fighter in mid-air and thus considerably extend that formidable aircraft's range.

"It is clear that advanced electronic countermeasures were used in the recent attack to destroy the radar network. Speculation that Israel helped South Africa acquire that capability has not been confirmed. We do know that for years South Africa has been doing intensive research in electronic warfare," said Prof Hough.

According to Hough, the recent attack made it clear to the Angolans and the Soviets that the extensive air defense shield does not guarantee complete freedom of movement in the air and that South Africa can still strike deep in Angola.

12593

ECONOMIC

Budget Seen as Restrictive Factor for Economy *34010047a Johannesburg BEELD in Afrikaans* 18 Mar 88 p 21

[Article by Marlene Britz, economics editor: "Budget Will Not Stimulate Growth"]

[Text] Because of the relatively lively expansion of the South African economy in the last 6 months, the government will be obliged to curtail considerably the rate of expansion within a rather brief period of time.

Mr Louis Geldenhuys, economist at the brokerage firm of George Huysamer and Associates, declared this yesterday at a lunch of the Johannesburg Afrikaans Chamber of Commerce.

Mr Geldenhuys spoke about the budget and the effect it could possibly have on the South African economy.

He cited various reasons for the expected slowdown in the economy later this year. At face value, a budget deficit equivalent to 4.9 percent of the gross domestic product is expansionist. A budget ought not to be analyzed merely statistically, however, but also according to a dynamic model, said Mr Geldenhuys.

He drew the following conclusions from the budget:

It is estimated that state investment will grow at a slower rate, but Mr Geldenhuys feels that the tax burden has not been relieved.

Further, he said that the financing package will not result in a significant monetary injection. He also feels that the average citizen will not accept and deal with the budget and its wider effects very favorably.

He feels that businessmen naturally will be happy over the projected reduction in state investment. Nonetheless, the higher taxation which companies must pay, the prospects of a lower growth rate, and the inevitable uncertainties about the new tax structure will negate those people's optimism to a great degree, Mr Geldenhuys believes.

For these reasons, he is convinced that the budget, despite a continuing large absolute deficit, will be restrictive. In this regard he points out that the economic revival in the past few months, particularly since the third quarter of last year, has never been based on a firm foundation for recovery. This indicated that that revival could not be maintained in the long term.

This uncertainty about the long-term prospects for economic growth, together with its expected slowdown later this year, is confirmed by the fact that the past upswing did not occur because of a strengthening of the country's exports. Indeed, exports in the last period were disturbingly low.

In reality, the upswing is the result of a rapid growth in consumer goods investment by government in general, which in real terms grew last year by approximately 5.2 percent, and private consumer investment, which increased in real terms by 3.6 percent.

13238/6091

Number of Airplanes Increased to Almost 4,000 *34010054b Johannesburg FINANSIES & TEGNIEK in Afrikaans* 25 Mar 88 p 62

[Text] The number of aircraft in use in South Africa increased last year by 122 to about 4,000. In the preceding year, the number increased by only 17, according to the latest newsletter from the Commercial Aviation Association of South Africa.

This figure includes all types of aircraft, including jets, helicopters, agricultural aircraft, and small aircraft.

According to the association, 90 aircraft were imported last year and 38 exported, while in 1986 44 were imported and 81 exported.

Thus this country's fleet is constantly changing. This may explain things to passengers who flew domestic SAA [South African Airways] flights last week on jets that were not painted in SAA's colors.

"The size of our fleet is under constant study and is modified in accordance with the requirements of passenger figures. We often lease aircraft from other companies, just as they lease from us and so it may happen that a 'foreign' aircraft will carry domestic passengers," says an SAA spokesman.

He says that SAA does not reveal the size of its fleet.

SAA recently expanded its flight schedule to establish new early morning flights and then had to modify how it uses its fleet in order to implement the new schedule.

According to the newsletter, 11 helicopters were imported last year and 2 exported.

"The highest growth figures are for micro- and ultralight aircraft. Last year 92 such aircraft were added to the South African register and 5 removed.

"Many of these aircraft are made here. In 1986 100 were added to the register and 9 removed," says a spokesman for the association.

12593

Domestic Flights Increase by 19 Percent

34010054c Johannesburg *FINANSIES & TEGNIEK in Afrikaans* 8 Apr 88 p 21

[By Daleen Van Wyk]

[Text] Passenger load for South African Airways [SAA] rose by 19 percent in the first quarter of this year compared to the corresponding period last year. The airline is now enjoying its busiest period in years due to better economic conditions in South Africa and the growth in the number of foreign tourists since the end of last year.

Bookings are so heavy that spokesmen for travel agents expressed the hope last week that additional flights will be established. They are having difficulties getting reservations on flights for the times they request.

Regular travelers are especially frustrated because they have to book weeks in advance to be sure of getting a seat on certain flights. Some Port Elizabeth businessmen are now driving to Johannesburg because of the shortage of seats.

One businessman from Port Elizabeth had to fly first to Johannesburg and stay there a day in order to fly to Bloemfontein the next day to attend a meeting there. He had to return by the same route.

A company which recently acquired its own aircraft says it did so because it can no longer count on the availability of SAA services.

But there seems little chance that additional flights will be offered. SAA has actually reduced the size of its fleet by leasing some of its aircraft to other airlines. This decision was made during the recession when the demand for seats was low. But it appears that SAA does not have any plans to acquire other aircraft on short-term lease to make good the shortage.

Thanks to these leases, SAA profits will probably reach record levels this year but this will be at the cost of passenger convenience.

The airline will not provide any details as to the number or type of aircraft it leases (*FINANSIES & TEGNIEK*, 25 March 1988) and it no longer provides the numbers of the various aircraft it owns in its airline magazine. This has been the rule for years.

But last month in an effort to alleviate the situation, it modified its domestic schedule to offer more flights by introducing new early morning flights and additional late night flights from and to the main cities.

SAA now offers a total of 606 domestic flights a week compared to 487 flights a week for the same period last year.

In a further effort to meet the demand for seats, SAA now flies a jumbo jet (usually used for international flights) 5 days a week on the very popular route between Johannesburg and Cape Town.

The company has also leased an Airbus 300 from Luxavia, which in turn is said to have leased aircraft from SAA.

Although domestic airports will be packed with vacationers in the coming 10 days, authorities do not expect this to cause problems. Recent problems with air controllers and radar equipment have now been solved.

"We have taken special measures to deal with the high passenger loads and the volume of people at the airports. Although we are still six people short in the control section at Jan Smuts Airport, we do not expect this to cause problems. Six people are now being trained and they will very shortly eliminate that shortage in any case," says a spokesman for Civil Aviation, which is responsible for air traffic management at airports.

This comes after labor problems with the controllers and a technical problem with radar equipment at Jan Smuts. About 3 weeks ago this caused delays.

It caused flights to depart behind schedule, which in turn caused other delays because of schedule interlocking.

"The controllers' pay package was modified after talks and as far as we are concerned, the matter has now been solved," says the spokesman.

Controllers complained inter alia that as personnel trained for a special task they were not being treated properly. They were not being paid enough for overtime. In the meantime a new problem has arisen because of a change in a flight schedule to Zimbabwe. The new schedule became effective on 28 March and flights now depart from Johannesburg for Bulawayo 1 hour later than before. This makes it impossible for passengers to catch an Air Zimbabwe connecting flight at Bulawayo for Victoria Falls.

"More than 1,000 passengers wanting to visit Victoria Falls from South Africa at Easter will now have problems and their travel plans have been upset. In some cases this affects foreign tourists whose reservations were made abroad months ago," says John Bing, secretary of the Association of South African Travel Agents (ASATA).

"There are alternatives available but they are very inconvenient," he says.

No SAA spokesman was available the Thursday before Easter to explain the reasons for the altered schedule, although it is known that ASATA has already made representations to SAA to reinstitute the old schedule.

12593

Study Lists Steps Necessary for Development of Domestic Electronics Industry

34010047c Johannesburg *FINANSIES & TEGNIEK in Afrikaans* 15 Apr 88 p 2

[Article by Curt von Keyserlingk: "Tax Relief Sought for Electronics"]

[Text] The Ministry of Finance wants to phase out tax concessions to companies but buyers of electronic equipment in the public sector say that such incentives are necessary to stimulate the growth of the domestic electronics industry.

This is one of the findings in a study which was commissioned by the government's Standing Committee on Electronics, the Industrial Development Corporation, and seven private suppliers of electronic products: Altron, Grinaker Electronics, ISM, Murray & Roberts Technologies, Protea, Reunert, and Siemens.

The study was undertaken by the firm Business and Marketing Intelligence. More than 400 suppliers of electronic equipment and their customers in the public sector were queried.

The findings will be part of an attempt to find ways of promoting the domestic manufacture of electronic products, a goal which has been a national priority for years.

The following are steps which members of the public and private sectors who took part in the study believe must be taken:

—Emphasis upon electronics in secondary schools to encourage a greater flow of electronics students into universities and technical colleges;

—Tax concessions for electronics companies' operating costs, including research and development costs;

—Greater investment in training at the night school level;

—Tax concessions for capital investment by electronics manufacturers;

—More contracts by government purchasers for suppliers in the private sector to develop certain products;

—More direct grants by the state to domestic manufacturers for research and development;

—The formulation of state requirements in such a manner that it assists the domestic manufacturers in supplying unique products to other domestic and foreign customers in the so-called "niche markets"; and

—Preference in state tenders for products with a high domestic content.

Another finding in the study is that the industry's earnings this year will rise to 7.8 billion rands and to 8.8 billion rands next year. The earnings in 1987 were 6.8 billion rands. State purchases represent approximately 40 percent of the market.

According to the report, security equipment ought to grow the fastest, while consumer equipment such as television and video equipment will grow the slowest.

"South Africa represents only 1 percent of the world's sales but is the world's sixth largest importer of electronic equipment. Research and development by domestic industry is about 5 percent of the market, while the figure for many other countries is between 10 and 20 percent," says Mr Carel van der Merwe, senior managing director of the NOK [Industrial Development Corporation of South Africa] and chairman of the Standing Committee on Electronics.

"We are asking for the growth of domestic electronic equipment and if we do not support domestic manufacture, soon there will not be enough foreign currency to import for our own needs. More state assistance is required to develop domestic industry, especially basic components such as microchips. This is the case in countries such as the United Kingdom, the United States and Japan.

"In certain of those countries profits were not derived from the sales of chips, but from the end products which contain them. The ability to design and to manufacture one's own chips is necessary for survival. In the old days a piece of equipment could be assembled from separate components. Now the functions of the various components are performed by one chip."

The threat of sanctions puts greater pressure on South Africa for the creation of a greater capacity for the production of certain chips which are necessary for certain purposes.

The possible effect of sanctions on the industry was also looked at in the study. This is an important consideration in the development of an aid package.

Firms which are very dependent upon imported products or foreign manufacturing licenses now could possibly enjoy greater technological support than manufacturers of products that have been developed domestically. But their advantage could be cancelled if sanctions were to be stiffened.

Development assistance to firms with strong foreign ties can bring quicker results in terms of technology, but the export potential of products which have been developed by firms can be limited by licensing agreements. This can take away volume sales from the company which it needs to be competitive on an international basis.

These are some of the issues which will be considered by the Working Group for the Electronics Industry, a body with strong representation from the private sector and of which Mr Van der Merwe is the chairman. Its task is to develop recommendations to the government in regard to a policy for the development of the industry.

Its work succeeds a similar study by the Council for Trade and Industry which was completed in 1986 and was never formally accepted by the government.

13238/6091

Stronger Ties With Lebowa, Troubled Relationship With Bophuthatswana for Platinum Mines

34010047b Cape Town *DIE BURGER* in Afrikaans
30 Mar 88 p 22

[Text] While Rustenburg Platinum is strengthening its relations with Lebowa, it would appear that Impala Platinum was experiencing problems in its relationship with Bophuthatswana.

Rustenburg announced yesterday that it had entered into an agreement with the government of Lebowa. Further details will be announced today at a press conference.

It is expected that the announcement will be concerned with the expansion of Rustenburg's platinum activities in Lebowa by Lebowa Platinum, which is jointly owned by Rustenburg and the government of Lebowa.

Meanwhile, the Keeley Group announced that it had obtained a controlling interest in Bafokeng Minerals. It thus appears that Impala will not be able to obtain further development rights for its mines in Bophuthatswana.

Bafokeng Minerals holds the rights to prospect and exploit precious metals in the Bafokeng tribal area, which borders on Impala's mining area.

That tribe, which is the beneficiary of the territory on which Impala is located, informed the mine last week that it was going to institute legal proceedings.

Impala says the intended lawsuit is the result of a disagreement over demands by the tribe that Impala make available to it certain confidential information concerning its mining activities.

The tribe maintains that it is entitled to that information according to the agreement between Impala and the registered owner who holds the land in trust.

13238/6091

Hotel Occupancy Recovered From 3 Meager Years
34010054a Johannesburg *FINANSIES & TEGNIEK* in Afrikaans 25 Mar 88 p 62

[By Daleen Van Wyk]

[Text] In the past 6 weeks businessmen trying to reserve a hotel room the day before leaving for one of the larger cities in South Africa have received a firm response from booking agents: No vacancy.

During the past 3 difficult years for the travel industry, it has become almost normal practice just to reserve a room the day before or even on the day of departure, without any problems.

But this has changed in the first weeks of this year and the pattern of earlier years has returned. Once again it is necessary to reserve rooms far longer in advance. This is true especially of Cape Town, Johannesburg, Bloemfontein, Durban, and the larger towns.

"Reservations are strong. Besides the growth in the domestic market, where many more businessmen are traveling than last year, the number of foreign tourists in South Africa has increased considerably. This is the main reason for the high occupancy rate we have now," says Larry McCartney, marketing director of the Hotel Carlton in Johannesburg.

That hotel now has 60 percent of its available rooms occupied, but 200 of them cannot be used because of remodeling work. "If those rooms are not counted, our occupancy rate is considerably higher," McCartney says. This is certainly good news for the Carlton. Its occupancy rate averaged just over 40 percent last year.

Its main competitor, the Johannesburg Sun, a few blocks from the Carlton, was completely full a few nights this week, which is an extraordinary event for that hotel—the largest in South Africa.

The Johannesburg Sun's high occupancy rate is due to the international conference of the World Association of Cooks Societies being held there.

The manager of the hotel, Tony Van Zantwijk, would not provide average occupancy figures for January and February, but says they were "particularly good." He denies rumors that some floors in the hotel were closed down entirely during the economic difficulties.

"The rooms had no guests but that does not mean they were not in use," he says.

Ray Smuts, in charge of public relations for the Protea Hotel Group, says the occupancy rate for the group's hotels in Johannesburg was between 70 and 100 percent in January and February of this year, while those in Cape Town had rates of between 80 and 100 percent.

"The revival in foreign tourism plays a large role. The number of visitors from West Germany alone rose by more than 28 percent in the first months of this year, compared to the same period last year," says Smuts.

Mr Von Krause, Southern Sun/Holiday Inn marketing director, says business is excellent and conference and banquet business is very good at most hotels.

"Growth is highest in Cape Town, followed by Johannesburg. Durban was always busy but occupancy rates are up there too," he says.

These figures are certainly good news for the hotel industry, which had a turnover last year of rands 1.8 billion because most business travelers pay the full room rate, and its results should improve considerably in comparison to the past 3 years.

12593

SOCIAL

Racial Discrimination in Public Service Eliminated

34000640a Johannesburg BUSINESS DAY in English
10 May 88 p 2

[Article by Alan Fine]

[Text] All racial pay discrimination in the public service had been eliminated, a spokesman for the Commission for Administration (CFA) said yesterday.

Commenting on a prediction in the recently-published CFA annual report that disparities would be eliminated by 1 March, the spokesman confirmed this had occurred.

He said the implementation of parity in earnings, benefits and other conditions of employment had not been affected by the freeze on public service wages and salaries as the funds for this had been allocated in the previous financial year.

The report said the process of phasing out the differentials began in the seventies.

/9604

Businessman Says AWB Leader Ruining Country's Image

34010048c Johannesburg BEELD in Afrikaans
5 Apr 88 p 7

[Unattributed article: "Neo-Nazi ET Is a Setback for South Africa."]

[Text] If Mr Eugene Terre'Blanche, leader of the AWB [Afrikaner Resistance Movement], would try to approach the country's problems in a more responsible manner, he would mean much more for the Afrikaner and the country, President P. W. Botha wrote last week in a letter to Mr Terre'Blanche. Coincidentally, Mr Louis Kriel, managing director of Unifruco, the international marketing group for the soft fruit industry, also objected publicly last week in Bellville to the way in which Mr Terre'Blanche conducts his politics. Mr Kriel said Mr Terre'Blanche and the AWB were advancing South Africa's isolation.

Mr Kriel said he wonders whether there has ever been anyone in the country's history who has done such incalculable damage to the Afrikaner and to South Africa's cause as Mr Terre'Blanche.

He was the speaker at a social event where the annual report of the Union for Entrepreneurship and Small Business Management of the University of Stellenbosch's Management School was presented.

Mr Kriel said Mr Terre'Blanche and the AWB were advancing the isolation of South Africa. Mr Terre'Blanche was getting worldwide press coverage with his pseudo-Nazi image and, next to President P. W. Botha and Mr Pik Botha, is probably the best-known living Afrikaner in the world.

"He has made a caricature of the Afrikaner which cannot easily be rectified by the noble deeds of thousands of others."

According to Mr Kriel, the focus of attention has been put more and more on the Afrikaner as the oppressor. The publicity that Mr Terre'Blanche has been getting all over the world is further promoting that image.

On a world trip he recently saw photographs in newspapers in Mauritius, Singapore, Hong Kong, Japan, Vancouver and New York of young members of the AWB who were disrupting a gathering of the National Party in Pietersburg.

That action by the AWB and the attention which was given to it all over the world is exacerbating South Africa's isolation.

Mr Kriel added that foreign business associates had a more optimistic picture of South Africa about a month ago than they have now.

Government restrictions on the Group of Eighteen, the arrest and brief detention of clergymen, the Sharpeville Six, the prohibition of prosecution of six Defense Force officers in Southwest Africa, the results of the by-elections in the Transvaal and the events in Gaborone, Paris and Brussels have also contributed to it.

In the meantime, Mr Terre'Blanche went merrily on in the same old way last week. He did a sharp turn and smugly told *DIE BURGER*, *BEELD*'s sister newspaper, that the AWB "went all out" for the by-election in Randfontein and played a large role in the victory of the Conservative Party [KP].

"The AWB succeeded in mustering unity in Randfontein," he added.

"The fact of the matter is that a large proportion of (the residents of) Randfontein are members of the AWB," he boasted.

Very much pleased, he emphasized the fact that more than 2,000 Randfontein AWB members recently attended an AWB gathering in Krugersdorp after this kind of meeting had been banned in Randfontein (because it was to have been outdoors).

According to Mr Terre'Blanche, the meeting had a "great effect" and the AWB members returned with "overwhelming enthusiasm" to Randfontein. "I really gave my support to the KP."

The second major factor which, according to Mr Terre'Blanche, caused the KP to triumph, is that the AWB called upon its members who are also members of the HNP [Reconstituted National Party] to vote for the KP. "We must look somewhere for the vastly large majority."

The policies of the AWB and the KP are so close to one another that it would be illogical for the AWB to campaign as a third rightist party, he replied in response to a question.

Mr Terre'Blanche also addressed the Cape Town Press Club. During the question-and-answer period someone inquired as to how the AWB would deal with the world's reaction to its "folk state." He said it would be acceptable because it would not have a racial basis, but because the "Afrikaners as a folk" would inhabit such a state.

He was not prepared to answer the second part of the question: that is, how the AWB would deal with that portion of South Africa's population which would not accept such a dispensation, and where it would get enough prisons to lock up all those who would revolt against it.

The same evening Mr Terre'Blanche said at a public meeting in Paarl that the AWB, which is registered with the Ministry of Home Affairs as a "legal political party," does not propagate violence but wants to restore law and order. "That's why P. W. Botha or Vlok cannot touch it."

The planless and unimaginative government is being "paid" nowadays to smother the country's economy, to weaken it militarily and to chase Boer boys out of the South African Police [SAP], the AWB leader added.

The "marvelous" police are being weakened by not getting a living wage and the "heart and core" is being removed from the SAP by booting out "our boys."

In reference to the government's investigation of Aquila—his personal bodyguard—he said: "Old Vlokkie, the boys will stay with me!" They have a right, if they wish, to protect him and his family and it was never the intention that they should be an attack force. "An unarmed white man in Africa is a dead white man."

The government can merely ban the AWB emblem, it can never ban an ideal or throw it in jail, however. The AWB is getting stronger and stronger and a third republic—a white man's republic—is coming.

The "good Cape Province" should also listen: The AWB will not fight in a moderate way for the Afrikaner folk but "will knock hell out of them if they begin to murder my people."

13238/6091

Brutality Not Condoned by Police

34010052b Cape Town *DIE BURGER* in Afrikaans
6 Apr 88 p 8

[Editorial: "Good Luck to the Police"]

[Text] *DIE BURGER* adds its good wishes to those every well-intentioned South African extends to the Police Force, which today reaches the high point of its 75th anniversary celebration. Along with these wishes goes the wish that in the coming years the force will be a powerfully stabilizing factor in the development processes which must continue in this country.

The SAP [South African Police] can look back on many successes in the three quarters of a century of their existence, particularly in their broad function of protecting society. It is largely thanks to the police that life in this country can continue normally and in relative security.

This is all the truer when one considers how small the Police Force is and how much its responsibilities have expanded. No longer is the force merely a bulwark between the law-abiding citizen and the criminal; now it also stands between the innocent member of the public

and the terrorist. On the home front, but also on the country's borders, the police stand at the forefront. Great gratitude is due them for their successes in this demanding task.

However, the police have another duty as well. Because as the body responsible for maintaining law and order they are an arm of the state, they come into daily contact with people of all races. In this role they must hold lines of communication open, constantly strive for good human relations, and in their every action help create a climate of mutual acceptance rather than cause greater alienation between people.

We understand that the contact between the policeman and the public usually occurs in the rough shadow world of crime and violence. The additional obligations imposed by the state of emergency have demanded such sacrifices of the undermanned force that we may see mitigating circumstances if policemen sometimes lose their patience. Nonetheless, the use of brute force against violators in cases where there is no danger to the lives of members of the force cannot be excused. It does honor to the chiefs of the SAP that they do not hesitate to bring members of the SAP who violate this rule before the courts.

In addition, in order to maintain the prestige of the police, action must be taken without regard for persons when the inevitable happens and some black sheep in the force commit one crime or another.

At the start of their fourth quarter of a century, our wish for the police is that they will enjoy the fruits of their work, in all facets of their extensive mission.

12593

National Manpower Commission Gives Strike Productivity Figures

34000640b Johannesburg *THE CITIZEN* in English
4 May 88 p 20

[Text] About 591,000 workers were involved in 1,148 strikes in 1987 resulting in a loss of 5,8 million man-days, the National Manpower Commission said in its annual report tabled in Parliament yesterday.

In 1986 there were 793 strikes and in 1985 389 strikes.

The report said that the sharp rise in 1987 was mainly due to extensive strikes in the mining industry, particularly in the third quarter of the year.

Not included in the figures for 1987 were the strikes in the South African Transport Services and Postal Services.

The report estimated that at least 800,000 man-days were lost due to these strikes.

The majority of the strikers were Black while the average duration of strikes increased sharply to 9,9 days compared with 3,1 days in 1986.

It appeared that wages and wage-related problems were the cause of 40,8 percent of all strikes.

Most of the strikes—51 percent—were in the PWV area. In comparison with other countries, South Africa was now a country with a high strike intensity.

The commission also said South Africa's productivity performance did not compare favourably with that of its most important trading partners and this held important implications for the competitiveness of SA exports.

Unit labour costs in South Africa were also increasing considerably faster than in the United States, West Germany, the United Kingdom, Canada and Japan.

The report said labour productivity, as measured by the Gross National Product per worker in the non-agricultural sectors, decreased by 0,6 percent in 1986 against a decrease of 0,8 percent in 1985.

The mining, construction and trade sectors experienced a decrease in labour productivity in 1986.

Capital productivity in 1986 in the non-agricultural sectors declined by 1,4 percent, namely in the manufacturing, electricity, construction and financial sectors.—Sapa

/9604

More Trade Unions Registered

34000640c Johannesburg *THE CITIZEN* in English
4 May 88 p 20

[Excerpt] This represents 18 percent of the total economically active population.

By the end of 1987, 88 unregistered trade unions were known to exist. Total paid-up membership was estimated to be 240,000.—Sapa

/9604

Conciliatory Gesture by NGK Council Resolves Dispute

34010048b Johannesburg *BEELD* in Afrikaans
18 Mar 88 p 19

[Text] The dispute in the Federal Council of the NGK [Dutch Reformed Church], which has seriously threatened the council's continued existence, was resolved yesterday afternoon following intense negotiations with delegates of the NGKA [Dutch Reformed Church in Africa] and two members of the Mission Church.

The dispute arose following a walkout by the entire delegation of the NGKA and the moderator and actuary of the Mission Church after the beginning of the meeting on Wednesday in Pretoria.

It occurred after the council had voted down a proposal by Rev Sam Buti, moderator of the NGKA, to modify the agenda so that certain "burning questions" which would come at the end of the agenda, would be discussed first. These matters concern, among other things, church unity, apartheid and detention without a hearing.

On Wednesday the group of colored and black delegates said that they were no longer going to participate in the council. Yesterday they withdrew that decision. This occurred after the council, in a conciliatory gesture, offered to adjourn the gathering for a time to conduct a "brotherly discussion" with the group concerning their grievances.

The council also acceded to a request that the deputy chairman, Rev E.D. Sakala of Zambia, take over the chairmanship for the duration of the discussion from the chairman, Rev Piet Smith. Rev Sakala had been one of the "peacemakers" who had been sent the previous day to speak with the group.

At one point Prof Johan Heyns, moderator of the NGK, also took upon himself the role of peacemaker.

Not all the members of the council were in favor of the nature of the brotherly discussion. Four members of the NGK delegation requested that they be put on record as opposed to the decision. They were Rev David Snyman of the Free State, Rev Tappies Moeller from the Western Cape and Rev Japie du Plessis and Rev Kobus Roux from the Western Transvaal. Rev Sakkie Mentor, assessor of the Mission Church, also went on record against it.

They especially objected to the decision to have Rev Sakala assume the chairmanship because the procedural rules of the council do not make provision for such an informal discussion.

13238/6091

Pretoria Technical College Leader in Explosives Training, Research

34010048a Johannesburg BEELD in Afrikaans
18 Mar 88 p 15

[Text] Few people realize that South Africa is a world leader in the area of training explosives experts.

South Africa is the only country where a formal, graduate-level degree in explosives technology can be obtained. With the exception of some courses which are offered by companies and courses offered in extramural education for admission to an explosives institute, such a degree does not exist in Europe or the United States, says Mr Fritz van Rooyen, head of the Explosives Technology Department at Pretoria Technical College.

The training which is offered at the college is the sole course of instruction of its kind in the country. Students can advance to the laureate-level—a research project at the level of the doctorate degree.

The demand for trained technicians is so great that only 9 of the 44 students who are currently studying explosives technology do not yet have an employer or are not scholarship recipients.

Nearly half of the students who hold the 3-year national diploma in explosives technology have also earned a higher degree.

A National Institute for Explosives Technology is being established today in Pretoria to advance the interests of the explosives industry in regard to research, development and production.

The Pretoria Technical College is achieving great success with research and development projects in explosives technology.

Approximately a quarter of the 45 research projects which have been undertaken in the past 8 years in the college's School of Chemical Sciences have had to do with weapons systems.

The first project was a study of the shelf-life of batteries in missiles. Another breakthrough was the development of armored tiles which led to the establishment of a factory which satisfies nearly the entire country's military and industrial requirements in that area.

Another development at the Technical College which also led to broad application in industry was the electrochemical elimination of explosive remnants in wastewater.

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